



BUILDING GLOBAL COMMUNICATIONS

Matthew J. Flanigan
President
703/907-7701

October 7, 2004

Ex Parte

Honorable Michael K. Powell
Chairman
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: CC Docket Nos. 01-338, 96-98 and 98-147 (Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Deployment of Wireline Service Offering Advanced Telecommunications Capability)

Public Notice Establishing Comment Cycle for New Verizon Petition Requesting Forbearance from Application of Section 271, FCC 03-263 (released Oct. 27, 2003)

BellSouth Petition for Clarification and/or Partial Reconsideration, FCC 03-36, (filed Aug. 21, 2003)

Dear Mr. Chairman:

First of all, I want to thank you for your leadership on the broadband issues in the Triennial Review Order ("TRO"). Customers of TIA members now have the opportunity to respond in a positive fashion in terms of deploying broadband networks. Verizon, in particular, has launched an impressive plan to deploy fiber to the premises ("FTTP") to over one million homes this year. This investment would not be made but for the Commission's decision to relieve broadband facilities from burdensome unbundling obligations.

TIA believes that the time is right for the Commission to address a few outstanding issues. As a leader in the High Tech Broadband Coalition ("HTBC"), TIA strongly supports Verizon's petition for forbearance from any separate unbundling obligations imposed by Section 271 of the Communications Act on its broadband facilities.¹ Verizon is making a significant commitment to the deployment of next generation broadband.

¹ The HTBC is on record with the Commission as supporting a ruling that broadband network elements are excluded from unbundling requirements imposed under Section 271. See Comments of the HTBC on Petitions for Clarification and/or Partial Reconsideration in CC Dockets No. 01-338, 96-98, 98-147 (filed Nov. 6, 2003) ("*HTBC TRO Recon. Comments*").

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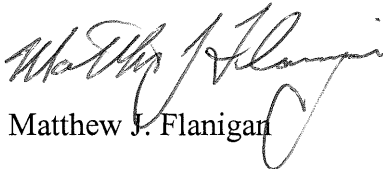
It is dedicating over \$1 billion this year to deploy FTTP. This is very big news. If Verizon succeeds, we expect a burst of activity in the FTTP market to follow.

Certainly, we do not want regulation to become a hurdle for the success of Verizon and others. I'm sure you share that view. Verizon needs some clarity about the nature of its Section 271 unbundling obligation for its new FTTP deployment. As you know, the broadband rules in the TRO relieve virtually all unbundling requirements under Section 251 for the deployment of FTTP. However, the checklist under Section 271 appears to impose a separate unbundling obligation. Removing this apparent inconsistency will give Verizon a clear signal to complete its planned deployment for 2004 and scale it up in 2005. This is good for our industry and good for the country as it will accelerate the deployment of next-generation broadband.

In addition, TIA supports BellSouth's request for regulatory relief on fiber to the curb ("FTTC") provided that, as previously spelled out by the HTBC,² the rules require carriers to deploy a FTTC capability that has transmission capability equivalent to that capability provided over standardized fiber to the home ("FTTH") networks. Specifically, FTTC should receive the same regulatory treatment as FTTH with respect to unbundling provided that the copper loop is no more than 500 feet from the end-user's premises, and provided that the FTTC network can deliver voice, multi-channel video, and data services that conform to ITU-approved or other well-established standards for FTTH. A Commission decision consistent with such parameters should eliminate unwarranted disparities in regulatory treatment and permit network operators to make deployment decisions based solely on technical and economic considerations.

In closing, I want to again thank you for your leadership on these two important issues as well as the entire broadband portion of the TRO. The Commission is making a difference in the marketplace.

Sincerely,



Matthew J. Flanigan

Cc: Honorable Kathleen Q. Abernathy
Honorable Michael J. Copps
Honorable Kevin J. Martin
Honorable Jonathan S. Adelstein
Jeffrey Carlisle, Chief, Wireline Competition Bureau

² HTBC TRO Recon. Comments at 7-11.